

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 02-0256P

Sales Tax

For June 1999 through March 2002

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer was assessed late payment penalties for several sales tax returns that were not timely filed nor paid. Taxpayer states that during transition in 1999, the new person responsible overlooked the filing of the sales tax returns. Taxpayer began to receive tax notices on non-payment of Indiana Sales Tax. These notices contained estimated tax liabilities that were paid. In March 2002, the taxpayer hired a local CPA to bring the sales tax to a current status.

Taxpayer, in a letter dated May 9, 2002 requests that the department waive the non-filing and late payment penalties because it has filed the returns.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer was assessed a penalty because it failed to remit its tax and tax returns by the due date for several months between 1999 and 2002. In a letter dated May 21, 2002, the taxpayer was advised that several liabilities were in the warrant stages and could no longer be protested. Only four of the liabilities were at the protest stage. Taxpayer was also advised to pay the outstanding liabilities or to send a protest letter regarding the four liabilities. No response was forthcoming. In a letter dated July 10, 2002 taxpayer was again advised to pay the outstanding liabilities or to send a protest letter within ten days. No response was forthcoming.

Taxpayer merely states that an employee overlooked the filing of sales tax returns.

Taxpayer was negligent in failing to monitor the work of its employees.

Taxpayer has not provided reasonable cause to allow a waiver of the penalty assessed.

FINDING

Taxpayer's protest is denied.